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Central Intelligence Agency



Washington, D.C. 20505

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19 August 1985

Mr. James M. Frey  
Assistant Director for  
Legislation Reference  
Office of Management and Budget  
Washington, D.C. 20503

*Jim*  
Dear Mr. Frey:

This is in response to your request for the Agency's views on Senator Stevens' bill, S. 1527, the Civil Service Pension Reform Act of 1985. This bill sets forth a permanent supplemental retirement plan to replace the present interim system provided for employees hired after 31 December 1983 and subject to Social Security coverage.

The Director of Central Intelligence in earlier discussions with the President and Dave Stockman indicated the need for a separate Central Intelligence Agency (CIA) retirement system. This was followed by discussions between Agency officials and representatives of the Office of Management and Budget (OMB). Director Casey has forwarded to Mr. Wright, Acting Director, OMB, a proposal in this regard which would permit the Agency to administer a retirement system for all Agency employees including those currently under CIARDS and the Civil Service Retirement System. This proposed Agency retirement system contains features which we believe are essential to effectively serve the special security and managerial needs of the Agency. Senator Stevens' bill does not accommodate these unique retirement needs and is not an appropriate vehicle for seeking the retirement program required by the Agency. We therefore, intend, with Administration assistance, to seek separate legislation in this area as discussed with officials at OMB.

We look forward to working closely with members of your staff and other OMB representatives.

Sincerely,



Charles A. Briggs  
Director, Office of Legislative Liaison

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